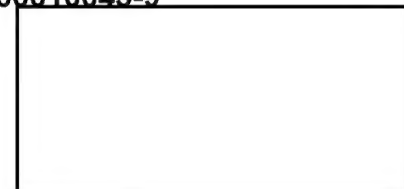


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MIDDLE EAST - AFRICA - SOUTH ASIA

This publication is prepared for regional specialists in the Washington community by the Middle East - Africa Division, Office of Current Intelligence, with occasional contributions from other offices within the Directorate of Intelligence. Comments and queries are welcome. They should be directed to the authors of the individual articles.

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Israel

Rabin On Israel's Borders

Speaking before a Zionist group in Tel Aviv on March 5, Prime Minister Rabin addressed the question of Israel's borders in a manner suggesting that he personally remains committed to a pragmatic and flexible approach to the issue.

Israel's central concern, he reportedly observed, should not be the question of borders, but rather how to preserve and strengthen the substance and content of its Jewish values. He appealed to his listeners not to make the question of Israel's borders a "sacred problem;" he said he considered it a tactical problem that changes from time to time.

To illustrate his point, Rabin pointed out that there have been times when no Jewish group included the Golan Heights as part of its political map of a Jewish homeland. There were also Jewish groups that had claimed a Jewish state was not possible unless both the west and east banks of the Jordan River were included.

Rabin's personal leanings in this matter are not, however, likely to be decisive in determining official policy. For one thing, Rabin must consider the views of conservatives in his ruling coalition who oppose significant changes in the borders of present Israeli-controlled territory on religious or security grounds.

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Africa

ECA Ministers Meeting in Nairobi

African ministerial delegates to the UN's regional Economic Commission for Africa, at their biennial meeting last week in Nairobi, strongly endorsed Algeria's sweeping proposals for a new economic order that would give developing countries a more "equitable" share of the world's wealth. The ministers also gave their stamp of approval to the "Declaration on Raw Materials" agreed on last month in Dakar by representatives of nonaligned nations led by Algeria.

The ministers' stand in favor of more economic power for developing African countries is likely to be adopted with few changes at the OAU summit meeting in Kampala this summer. It also will be presented as Africa's position at the UN General Assembly's special session on world economic issues later in the year. OAU Secretary General Eteki, who attended the Nairobi meeting, was given a mandate at last month's OAU foreign ministers' meeting in Addis Ababa to prepare a common African position with the economic commission.

Black African delegates in Nairobi expressed growing urgency over the need to cut worldwide inflation and to give developing states more control over world trade and finance. The hard-driving Algerian delegation encountered little organized resistance to its militant positions and won active backing from Tanzania, Ghana, Mali, Sierra Leone, and Gabon. Only Nigeria and Kenya tried to put forth a more moderate point of view.

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The Nigerian position prompted some verbal sparring between the Nigerians and Algerians. After the meeting, the Algerian delegate called Nigeria's plan for concessionary oil sales to African countries "unworkable" and contrary to OPEC's pricing policy. In a subsequent press conference, the leader of the Nigerian delegation responded by defending the Nigerian plan and attributing Africa's present economic difficulties more to increased oil prices than to Western exploitation. [REDACTED]

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East African Community*Troubles Getting More Attention*

At least one member of the three-nation East African Community appears to be making an attempt to overcome some of the organization's internal disputes and many other problems. Last week, Tanzanian President Nyerere sent a delegation to Kenya bearing a message for President Kenyatta. According to the US embassy in Dar es Salaam, the make up of the delegation, which included First Vice President Jumbe and the Tanzanian finance minister, suggests that Nyerere's message concerned the community's financial difficulties. Working level officials from Tanzania, Kenya, and Uganda, the third member of the community, have been trying to resolve the organization's financial and debt repayment problems since last fall. The visit of the Tanzanian delegation improved the atmosphere a bit--Kenyatta expressed a desire to make a future visit to Tanzania--but the community's formidable problems are still a long way from solution.

The EAC is the most ambitious attempt at cooperation among African countries. Despite its difficulties, the community still provides the member-states with important services, such as transportation.

The origins of the EAC extend back more than fifty years to institutions set up by British colonial authorities. The present basis for the community is a 1967 treaty, which adjusted an existing organization to balance the interests of Kenya--in which many community facilities had been concentrated--and the two less-developed member states.

The 1967 treaty provided for a common market and a customs union; the community subsequently negotiated concessions from the European Economic Community. At the heart of the East African organization have been four corporations that run the railways and some highway and water transportation facilities as well as civil aviation, harbors, and

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posts and telegraphs. The treaty also provided for joint customs and excise tax collection and a variety of organizations dealing with matters of mutual concern. It also set up community level political institutions, including a secretariat, legislative and judicial bodies, and, at the apex, the East African Authority consisting of the leaders of the three member-states.

Nationalist pressures have steadily reduced the scope and effectiveness of the community since 1967. In addition, adverse economic factors in recent years--including rising costs of petroleum products--have sharpened differences among the three East African countries.

The corporations providing rail, air, harbor, and communications services are still functioning. Member states, however, have taken control of some of the community facilities located within their borders. They have also held on to receipts and have been slow in making payments due the central authority.

The railways and the airline--East African Airways--are in debt and have serious management problems. The railways have suffered from the competition of private trucking firms, inefficiency, and a lack of cooperation among rail users. In spring 1974, for example, Kenya refused to let tank cars cross into Tanzania unless the Tanzanians returned an empty car in exchange. Last month, the Kenyan press reported that railway passenger services within Kenya had ceased and would be suspended for several months.

East African Airways' international operations are profitable. The airline is in the red, however, partly because it is obliged to provide some uneconomic local services, and partly because of overstaffing and incompetence.

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From time to time, politicians in the three countries criticize the other members and call for abolition of the EAC. While arguing that revision of the 1967 treaty is in order, more responsible leaders in Kenya and Tanzania favor maintenance of the community. The usually impetuous President Amin of Uganda tends to be restrained on the subject of breaking up the community, because his landlocked country is totally dependent on community harbors and rail lines running through Kenya. The community confers advantages on each of its members, and the difficulty of dividing up its assets reduces the likelihood of total dissolution.

Prior to 1971, intra-community problems were ironed-out at reasonably cordial meetings among Kenyatta, Nyerere, and Amin's predecessor, Milton Obote. Since then, personal and ideological differences among Kenyatta, Nyerere, and Amin have tended to exacerbate community problems.

Nyerere is, for example, strongly antagonistic to Amin. Since Amin came to power in January 1971 there have been no meetings of the East African Authority. Nyerere and Kenyatta have been able to work out some community problems between them, but for the last year or so relations between the two leaders appear to have been cool.

The imperious Kenyatta has been rankled by veiled criticism in the Tanzanian press of high-level corruption in Kenya and by assertions that the country's capitalist system does not advance the interest of most Kenyans. Although a consistent advocate of the community, Nyerere contends that Kenya puts private business interests ahead of community facilities such as the railway.

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